

IN THE MATTER OF THE FACT-FINDING BETWEEN

GUTHRIE COUNTY, IOWA, :
: CEO #936
Employer, : Sector 1
: FACT-FINDER'S REPORT
and :
CHAUFFEURS, TEAMSTERS & :
HELPERS, LOCAL 238 :
(Secondary Road Unit) :
Union. :

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GUTHRIE COUNTY EMPLOYMENT
RELATIONS BOARD

APPEARANCES

For the Union: Mike Stanfill,
Vice President & Business Agent

For the County: Renee Von Bokern,
Human Resources & Labor Relations Consultant

BACKGROUND

The fact-finding hearing was held on March 14, 2006, at the Guthrie County Courthouse. Opening remarks and the receipt of evidence commenced at approximately 1:00 P.M. The Union, represented by Mike Stanfill, presented one multi-paged exhibit, which he explained in detail. The Employer was represented by Renee Von Bokern and presented exhibits numbered 1-21, which Ms. Von Bokern also explained in detail. The exhibits of both parties were received into evidence. The respective positions of the parties on the impasse items were well presented and argued. A summary of the impasse items and the positions of each of the parties thereon is attached hereto and marked as Exhibit "A". At the hearing, the parties agreed to extend the time for completion of the impasse procedures to May 15, 2006. A copy of that

Agreement is attached hereto and marked as Exhibit "B". The receipt of evidence was concluded at approximately 2:30 P.M.

ISSUES

There are three items at impasse in this matter:

1. Wages: What the increase in wages for the bargaining unit for the 2006-2007 contract year should be.
2. Insurance: Whether, during the 2006-2007 contract, employees in the bargaining unit, who request dependent medical health insurance coverage, should pay 5% of the premium therefore or whether they should pay the amount by which the premium exceeds \$760.00 per month.
3. Holidays: Whether, during the 2006-2007 contract, employees in the bargaining unit should each receive an additional one-half day of personal leave.

In summary, regarding the wage item, the Union is proposing each employee in the bargaining unit receive a \$1.03 per hour increase in wage during the 2006-2007 contract year. The Employer is proposing the hourly wage-rate for each employee in the bargaining unit be increased by 3% for the 2006-2007 contract year.

As the undersigned has done in other reports, the undersigned has utilized the criteria specified in Section 20.22(9) of the Code of Iowa, where applicable in the undersigned's judgment, in discussing the items at impasse.

WAGES - FINDINGS

The bargaining-history evidence received at the hearing reflects that the parties have been bargaining contracts since the fall of 1988. Except for the first two contracts, all contract between the parties have been the result of voluntary agreement between them. In the negotiation of the 2005-2006 contract, the

parties agreed to a 6% wage increase in the hourly wage rate for each employee in the bargaining unit. In the process which produced the voluntary settlements between the parties over the years, maintenance of the health insurance benefit, at no cost to bargaining unit employees, has been an emphasis, and, as a consequence, wage-rates for bargaining-unit employees have not kept pace with those received by secondary-road bargaining-unit employees in counties surrounding Guthrie County. See testimony offered on behalf of the Union and the Employer at the hearing in this matter.

For wage comparisons, both parties used the equipment/patrol operator classification.¹ The Union compared wage rates for that classification in the following counties.

<u>COUNTY</u>	<u>POPULATION</u>
Dallas	40,750
Carroll	21,421
Cass	14,684
Madison	14,019
Greene	10,366
Adair	8,243
Audubon	6,830
Guthrie	11,353

Except for Dallas County, the Employer used the same counties for its comparisons. These counties all adjoin or are geographically proximate to Guthrie County. See the Union Exhibit, Page 3, and Employer Exhibit No. 1. In that regard, the Employer pointed to the larger population of Dallas County and its greater

¹Out of 26 employees in the Guthrie County bargaining unit, 19 hold this classification.

revenues as reasons not to use it for comparisons.² While Dallas County adjoins Guthrie County's Eastern border, the argument for not using it for comparisons is well taken, and the undersigned has not used it in forming judgments in this report.

The conclusion that Guthrie County equipment operation wage-rates are not comparable to the wage-rates for that classification, in the counties chosen for comparison, is apparent from the following data:

<u>COUNTY</u>	<u>2005-2006 WAGE RATE</u>
Carroll	15.32
Cass	14.67
Madison	15.04
Greene	14.61
Adair	14.61
Audubon	<u>14.42</u>
Average 14.78	
Guthrie	13.50

See Employer Exhibit No. 6.

Employer Exhibit No. 7 reflects the following 2006-2007 wage settlements in the secondary-road bargaining units chosen for comparison:³

²The Employer Exhibit No. 1 showed the population of Dallas County to be 46,148. It showed the population for the other counties to be as follows: Carroll 21,086, Cass 14,314, Madison 14,510, Greene 10,047, Adair 7,922, and Audubon 6,479. The evidence received indicates Dallas County is one of the fastest growing counties in the United States. See Employer testimony.

³It showed Carroll County and Madison County had not settled their contracts as of the dated of the hearing in this matter. Renee Von Bokern advised she represents those counties in their negotiations for the 2006-2007 contract year.

<u>COUNTY</u>	<u>WAGE INCREASE</u>
Cass	2.75%
Greene	3.4%
Adair	3.0%
Audubon	3.0%

The Union Exhibit, at page 10, showed the following with respect to 2006-2007 wage settlements in the secondary-road units chosen for comparison:⁴

<u>COUNTY</u>	<u>HOURLY WAGE INCREASE</u>
Cass	\$15.18 (2006) - \$14.67 (2005) = \$.51
Adair	\$15.06 (2006) - \$14.62 (2005) = \$.44
Audubon	\$14.85 (2006) - \$14.42 (2005) = \$.43

Using the information submitted by the Employer as to the Greene County equipment operator wage-rate for 2005-2006 and multiplying it by the wage settlement indicated by the Employer Exhibit, one computes the following hourly wage-rate increase and hourly wage-rate for Greene County equipment operators for the 2006-2007 year:

$$\begin{aligned} \$14.61 \times \$.034 &= \$.50 \\ \$14.61 + \$.50 &= \$15.11 \end{aligned}$$

⁴The Union Exhibit, at page 10, showed a 2006-2007 wage rate for Carroll County equipment operators of \$15.43/per hour vs. \$14.89 per hour for 2005-2006. However, as noted, Renee Von Bokern represents that county and advised it had not settled its 2006-2007 contract. This matter was not explained at the hearing. Consequently, the undersigned did not use the settlement information submitted by the Union as to Carroll County in comparing 2006-2007 wage settlements. The undersigned would also note a 2.75% increase for Cass County equipment operators, using the Employer's settlement information, does not produce the 2006-2007 hourly wage rate of \$15.18, shown in the Union Exhibit at page 10. The evidence submitted by the parties does not explain this anomaly either.

Utilizing the remaining information submitted, the undersigned finds the average hourly wage-rate increase for equipment operator in the compared counties, which have settled their 2006-2007 contracts, is as follows:

Cass		\$.51
Greene	+	\$.50
Adair	+	\$.44
Audubon	+	<u>\$.43</u>
		\$1.88
	÷	<u>4</u>
		\$.47

Using the evidence submitted, the undersigned finds the average hourly wage-rate for equipment operators in those counties used for comparison and which have settled their 2006-2007 contracts will be as follows:

Cass		\$15.18
Greene	+	\$15.11
Adair	+	\$15.06
Audubon	+	<u>\$14.85</u>
		\$60.20
	÷	<u>4</u>
Average		\$15.05

With respect to the factor of the Employer's ability to finance wage adjustments in this matter, the undersigned found the following information to be significant. For the 2006-2007 year, the Guthrie County Auditor projects a 7.65% increase in property tax revenue for Guthrie County. See Union Exhibit at page 11. This percentage, by which property tax revenue is projected to increase, mirrors the percentage by which the total wages of employees in the bargaining unit would increase if the Union's

proposal on the wage item were recommended, shown as follows:⁵

Current :

19	Equipment Operators x \$13.50 x 2080 hours	=	\$533,520.00
3	Laborers x \$13.16 x 2080 hours	=	\$ 82,118.40
2	Truck Drivers x \$13.16 x 2080 hours	=	\$ 54,745.60
2	Mechanics x \$13.98 x 2080 hours	=	<u>\$ 58,156.80</u>
	TOTAL		\$728,540.80

\$1.03 Increase:

$$\begin{array}{rcl} 26 \text{ Employees} \times \$1.03 \times 2080 & = & \$55,702.40 \\ \$55,702.40 & & \\ \hline & = & 7.645\% \\ \$728,540.80 & & \end{array}$$

See Union Exhibit at page 12.

The union Exhibit, at page 11, also reflected that the Guthrie County Board of Supervisors voted to increase the wages of all hourly non-union employees by 6.17% effective July 1, 2006. This might be an "other relevant factor," as set forth in Chapter 20 of the Code of Iowa. The Board of Supervisors has also approved a budget with a 6.17% increase in the compensation to be paid to the Secondary Roads bargaining unit effective July 1, 2006. Thus, it would appear the Employer has the ability to finance a wage adjustment greater than it proposed in this fact-finding. It is also apparent the Union used the 6.17% as a premise, in part, for

⁵The Union Exhibit shows only one mechanic under the bargaining unit, but Mike Stanfill advised there are in fact two. The undersigned doubled the wage amount shown for them in the union exhibit from 29,078.40 to the \$58,156.80 shown herein. Although the Union Exhibit was captioned as "cost of Union proposal", it appears it does not include the cost of FICA and IPERS contributions by the Employer.

its proposal to increase wages in the bargaining unit by \$1.03 across the board. At page 11 of the Union Exhibit the following information was offered:

NON BARGAINING UNIT EMPLOYEES

Secondary Roads Department

Excluding County Engineer and Assistant to the Engineer

Employee	Current Rate	Fiscal 06/07	Increase 6.17%
Randy Clipperton Foreman	\$20.52	\$21.79	\$1.27
Glenda Edwards Secretary	\$14.57	\$15.47	\$0.90
Michael Pearey Engineering Tech	\$17.72	\$18.81	\$1.09
Lee Sheeder Office Clerk	<u>\$14.04</u>	<u>\$14.97</u>	<u>\$0.87</u>
TOTAL	\$66.85	\$70.97	\$4.12

Average increase for fiscal year 06/07 will be \$1.03

While it might be argued the foregoing is somewhat probative as an "other relevant factor." The undersigned finds it lacks sufficient scope to give it significant weight. For example, if one is going to use, for internal comparisons, the hourly wages paid to the secretary and office clerk in the Secondary Roads Department, it strikes the undersigned one should also consider the hourly wages paid to clerical staff in the other offices/departments in Guthrie County.

INSURANCE - FINDINGS

Both parties in this matter presented evidence relating to bargaining history on the health-insurance impasse item. Through

the current contract, except for deductibles and out-of-pocket amounts paid by employees in the bargaining unit, the Employer has paid the full cost of providing single and dependant-coverage health insurance. In the negotiation of the current contract, although a cap of \$760.00 on the amount of the Employer's contribution to the cost of providing the benefit was agreed to, it was also agreed that through June 30, 2006, the Employer would "...waive ..." any "...charges for the employees covered..." by the agreement. Consequently, although the cost of providing dependent health insurance coverage rose to \$793.00 on January 1, 2006, the employees have not had to pay the additional \$33.00 necessary to pay the cost of that coverage.⁶ See Employer's Exhibits No. 9, 10 and 11.

Maintenance of the health insurance benefit, with no premium contribution by bargaining-unit employees, has been an emphasis in the bargaining between the parties over the past 16 years. Indeed, for the 2004-2005 contract the bargaining-unit employees accepted a wage freeze to maintain the benefit at the level provided by the 2003-2004 contract. See the Union Exhibit, at page 5. As noted previously in this report, health-insurance coverage at no cost, as a portion of employee compensation, has reduced the money available for wages in the bargaining unit.

The comparability evidence indicates, in the secondary-road

⁶The Employer's health insurance contracts renews on January 1 of each year. The next renewal, therefore, will occur January 1, 2007. See Employer Exhibit No. 9.

bargaining units of adjoining counties, it is the norm that employees contribute to the premium cost of the health insurance benefit. Four of the six counties compared by both parties in this matter have negotiated monthly employee contributions, shown as follows:

<u>COUNTY</u>	<u>EMPLOYEE CONTRIBUTION</u>
Carroll	\$35.00 single coverage \$95.00 dependent coverage
Cass	\$227.00 dependent coverage
Madison	\$0
Greene	15% of premium for dependent coverage (\$85.72 in 2005 determined as follows: $1.15 \times 571.47 = 6517.19 - 571.47 = 85.72$)
Adair	\$100.00 dependent coverage
Audubon	\$0

See Union Exhibit, at page 10.

The average monthly contribution for dependent coverage by employees in the six comparables is computed as follows:

\$ 95.00
+ \$227.00
+ \$ 0
+ \$ 85.72
+ \$100.00
+ \$ 0
<hr/>
\$507.72 ÷ 6 = \$84.62

As noted in the wage-discussion portion of this report, the ability of the Employer to finance the proposal of either party on the health-insurance impasse item is not in question. However, if the Unions proposal was recommended, it would appear to the

undersigned that it would have the effect of lowering the amount of each employee's contribution toward the cost of the dependent health insurance premium. Under the Union proposal, if the monthly premium for dependant coverage rose to \$825.00 on January 1, 2007, the employee contribution would be \$41.25 ($825.00 \times .05$). Under the Employer's proposal, the employee contribution would be \$65.00 ($\$825.00 - \760.00). Ultimately, the Union's proposal on the health insurance item would lower the money otherwise available for increases to the wage portion of employee compensation in the bargaining unit.

HOLIDAY - FINDINGS

In terms of the history of bargaining between the parties, it is not clear from the evidence presented whether all of the holidays, which employees in the bargaining unit receive, were voluntarily agreed to. However, the testimony received at the hearing reflects the one-half day of personal leave provided for in the current contract was voluntarily agreed to by the Employer and the Union two years ago. See Union testimony. In addition to that one-half day of personal leave, employees in the bargaining unit, who do not use sick leave for six consecutive months, receive another day off with pay. See Article 16, paragraph 13, of the current contract. Thus, in addition to New Years Day, Memorial Day, July 4th, Labor Day, Veteran's Day, Thanksgiving (2 days), Christmas (2 days), the employee's birthday and the one-half day of personal leave, it is possible for an employee to obtain another

two days off in any given 12 month period.

The following information from the Union Exhibit, page 4, sets forth the pattern in the six counties compared by both parties in this matter with respect to the number of holidays/personal days:

<u>COUNTY</u>	<u>NUMBER OF HOLIDAYS/PERSONAL DAYS</u>
Carroll	9 holidays <u>2</u> personal days 11 days total
Cass	10 holidays (Includes employees birthday)
Madison	10 holidays <u>2</u> personal days 12 days total
Greene	10 holidays
Adair	10 holidays
Audubon	9 holidays <u>1</u> personal day 10 days total

The average of the number of holidays/personal days received in the six bargaining units compared by both parties is computed as follows:

	11
+	10
+	12
+	10
+	10
±	<u>10</u>
	63
÷	<u>6</u>
	10.5

From this information the undersigned finds the number of holidays/personal days currently received by the Guthrie County bargaining unit employees equals the average number of those days

received in the six bargaining units compared by both parties in this matter.

The ability to finance another one-half day of personal leave was not addressed to any significant degree by either party to the impasse. That there is a cost for such leave cannot seriously be debated. Four hours at the current equipment-operator wage rate equals \$54.00. If one multiplies that number by the current number of equipment operators, the result one obtains is \$1,026.00. That dollar amount does not address the effect of such leave on the Employer's ability to complete the work employees would have performed if not on leave.

CONCLUSIONS

WAGES

Given the evidence presented, the undersigned is of the opinion that an \$.83 hour increase for each employee in the Guthrie County Secondary Road bargaining unit would be reasonable. This increase, measured as a percentage, is 6.17% and is within the amount budgeted by Guthrie County for the employees within the Secondary Road Department, computed as follows:⁷

⁷If one multiplies the current equipment operator hourly wage rate by 6.17%, the resulting figure is also \$.83.

2005-2006 Salary Cost	\$728,540.80
	X .0617
	\$ 44,950.97
Number of employees ⁸	÷ 26
	\$ 1,728.88
	÷ 2080
	\$.83

A 6.17% increase is consistent with the percentage increase in bargaining unit wages the parties negotiated for the 2005-2006 contract year, and, while it will not bring the hourly wage of the Guthrie County equipment operator classification up to the average of the hourly wages of equipment operators in the six counties used for comparison by both parties, the hourly increase itself is greater than those negotiated to date by any bargaining unit in the comparability group. It would also, in the undersigned judgment, narrow the gap between the Guthrie County equipment operator wage and the average of the wages negotiated to date for the 2006-2007 contract year in the comparability group:

Current average hourly wage, as shown by Employer Exhibit No. 6	\$14.78
Current Guthrie County Hourly wage	- <u>\$13.50</u>
Difference	\$ 1.28
2006-2007 average hourly wage for the four counties which have settled contracts	\$15.05
Guthrie County hourly wage as recommended by Fact-finder	- <u>\$14.33</u>
Difference	\$.72

⁸This number is based upon the statement received at the hearing that there are 2 mechanics in the bargaining unit.

INSURANCE

Balancing the evidence received, it is the judgment of the undersigned that the Employer's proposal on the health-insurance impasse item is reasonable. Until January 1, 2007, the amount employees would contribute under that proposal would be \$33.00 per month, or \$.19 per hour. That compares favorably with the average amount contributed, as of January 13, 2006, by employees in the six bargaining units compared by both parties: \$84.62 per month, or \$.49 per hour. It is the further judgment of the undersigned that the proposal completes the bargain the parties themselves struck in their 2005-2006 contract negotiation. It is the opinion of the undersigned this bargaining history, although it is of short duration, favors the approach of the Employer over that of the Union in determining employee contributions toward the cost of dependent health insurance.

HOLIDAYS

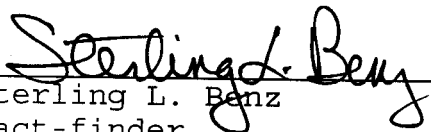
After weighing the factors set forth for arbitrators to consider, this fact-finder believes the proposal of the Employer on this item is more reasonable. The current one-half day of personal leave granted to employees within the bargaining unit is the result of a voluntary agreement reached only two years ago. The total number of holidays for the Guthrie County Secondary Road bargaining unit compares favorable to the average number of holidays within the six bargaining units chosen for comparison for both parties. Based upon the evidence received the undersigned is not convinced

the additional one-half day of personal leave is required by any of the factors set forth in Chapter 20 of the Code of Iowa.

RECOMMENDATIONS

1. Article 24, Wages: The undersigned recommends, effective July 1, 2006, the hourly wage rate for each job classification in the bargaining unit be increased by \$.83 per hour.
2. Article 19, Insurance: The undersigned recommends, effective July 1, 2006, the Employer pay \$760.00 per month toward the cost of health insurance coverage for each eligible employee in the bargaining unit and each eligible employee in the bargaining unit pay the amount in excess of \$760.00 per month for this coverage.
3. Article 15, Holidays: The undersigned recommends that personal leave remain at one-half day during the term of July 1, 2006- June 30, 2007 contract.

Dated this 2nd day of March, 2006.


Sterling L. Benz
Fact-finder

Guthrie County Secondary Road

Fact-Finding Positions
March 14, 2006

Issue No 1: Article 15 HOLIDAYS

COUNTY POSITION: Maintain personal time at 1/2 day

UNION POSITION: Increase personal time to 1 day

Issue No 2: Article 19 INSURANCE

COUNTY POSITION: Current contract
Delete sentence that pertains to July 1, 2005 to June 30, 2006 contract that reads: If the Employer elects to start charging other employees of the County for insurance coverage, the Employer agrees to waive such charges for the employees covered by this Agreement for the duration of the agreement (June 30, 2006).

UNION POSITION: Employees to pay 5% of the dependent premium.

Issue No. 3: ARTICLE 24 HOURLY WAGE RATES

COUNTY POSITION: Increase wage rates by 3%

UNION POSITION: Increase wage rates by \$1.03 per hour (7.6% of patrol operator)

POSITION OF THE PARTIES

Article 15 Holidays

The Union is proposing an additional $\frac{1}{2}$ day as personal time, (employees currently have $\frac{1}{2}$ day as personal time).

Employer's position is there should be no additional holiday time provided.

Article 19 Insurance

The Union is proposing any employee requesting dependent medical health coverage, will pay five per cent (5%) of the family premium.

The Employer is proposing any employee requesting dependent medical health coverage will pay any amount over \$760.00 a month for this coverage.

Article 24 Job Classification and Hourly Wage Rates

The Union is proposing all employees receive \$1.03 an hour increase.

The Employer is proposing a 3% increase.

Guthrie Co. Secondary Road
Wawa & Timelines

The parties agree to wawa the March
15 to May 15, 2006

Michael Stanfield
FOR THE UNION

Renee Van Buren 3/14/06
FOR THE COUNTY

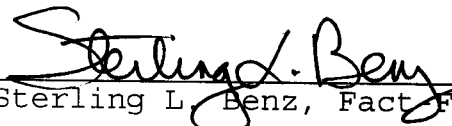
CERTIFICATE OF SERVICE

I certify that on the 22nd day of March, 2006, I served the foregoing Report of Fact-Finder upon each of the parties to this matter by mailing a copy to them at their respective addresses as shown below:

Mike Stanfill
2425 Delaware Ave.
Des Moines, IA 50317

Renee Von Bokern
2771 104th Street, Suite H
Des Moines, IA 50322

I further certify that on the 22nd day of March, 2006, I will submit this Report for filing by mailing it to the Iowa Public Employment Relations Board, 510 East 12th Street, Suite 1B, Des Moines, IA 50319.


Sterling L. Benz, Fact Finder